



USDA Foreign Agricultural Service

# GAIN Report

Global Agriculture Information Network

Template Version 2.09

Required Report - public distribution

**Date:** 8/1/2006

**GAIN Report Number:** NL6026

## Netherlands

## Biotechnology

## Annual Agricultural Biotechnology Report

**2006**

**Approved by:**

Roger Wentzel

U.S. Embassy, The Hague

**Prepared by:**

Bob Flach

---

**Report Highlights:** The Benelux region imports a large quantity of U.S. feed products, which require labeling for GM content under the European Union's traceability and labeling legislation. The importation of GM food products from the U.S. is nearly absent. The slow approval process of new GM events by the EU could further harm U.S. exports to the Benelux, in particular the trade in corn gluten feed.

---

Includes PSD Changes: No  
Includes Trade Matrix: No  
Unscheduled Report  
The Hague [NL1]  
[NL]

## I. Executive Summary

In 2005, the Benelux region imported approximately US\$ 300 million of agricultural bulk products from the U.S. A large share of this trade was feed products which required labeling for GM content under the European Union's traceability and labeling legislation. The importation of GM food products from the U.S. is nearly absent because few food retailers are willing to place GM-labeled products on their shelves. The widespread avoidance of GM containing food products was the case well before the traceability and labeling legislation took effect in April 2004, but the implementation of the legislation has forced virtually all domestic food manufacturers to move to across-the board sourcing of non-GM ingredients. The slow approval process of new GM events by the European Union, could further harm US exports to the Benelux, in particular the trade in corn gluten feed. Commercial production of biotechnology crops is absent in the Benelux region. The Netherlands and Belgium just recently implemented coexistence regulations.

## II. Biotechnology Trade and Production

### Production of biotechnology crops

In the Netherlands, Belgium and Luxembourg, there is no commercial production of biotechnology crops.

### Development of biotechnology crops

In the Netherlands, Belgium and Luxembourg, there are no biotechnology crops under development that will be on the market in the coming year. The Dutch starch company Avebe is developing a genetically modified potato with elevated amylopectin content. It is unknown when Avebe will start commercial production of their GM potato breed. The Dutch Ministry of Agriculture, Nature and Food Quality tasked the Wageningen University to develop a GM potato with resistance to late blight (see GAIN Report NL6015).

### Import of biotechnology crops

The Benelux region imports significant volumes of genetically modified soybeans and derived products, and corn products derived from GM corn, mainly corn gluten feed. Table 1 shows the Benelux' imports of these products from the United States since 2000. The Benelux countries also import several U.S. food products containing genetically modified material. The value of these imports is unknown.

As members of the EU, The Netherlands and Belgium permit importation and use of products receiving approval in Brussels. Luxembourg imposed a ban on the GM maize variety Bt 176, which the EU has approved for planting, and for food and feed.

Table 1. U.S. exports of soybeans, and derived products, and corn gluten feed to the Benelux (million US\$)

	2000	2001	2002	2003	2004	2005
Soybeans	598	515	333	278	128	189
Soybean meal	8	40	18	7	6	5
Soybean oil	3	2	2	1	1	0
Corn gluten feed	161	135	155	160	143	93

The Benelux countries are not food aid recipients, but are major food aid donors. In general financial aid is provided from which the local organizations can purchase food from either domestic or foreign sources.

### III. Biotechnology Policy

#### Regulatory framework for agricultural biotechnology in The Netherlands

As EU member states, the Benelux countries have implemented harmonized legislation regarding agricultural biotechnology. The following four Ministries are responsible for implementation and enforcement of the regulatory framework for agricultural biotechnology in The Netherlands:

The Ministry of Public Health, Welfare and Sport (VWS). VWS is the coordinating ministry in the policy-making process in the field of medical and agricultural biotechnology. The VWS is also the central competent authority with responsibility for GMO legislation in the area of food. Regarding agricultural biotechnology, VWS has no responsibility for the implementation or enforcement of this legislation.

The Ministry of Housing, Regional Planning and Environment (VROM). VROM is responsible for implementation and enforcement of legislation regarding living GMOs, such as used in laboratory research and feed trials.

The Ministry of Agriculture, Nature and Food Quality (LNV). The LNV is responsible for GMO legislation in the feed and seed area. With VWS, LNV plays an important role in the implementation of the EU Traceability and Labeling legislation. LNV has three bodies responsible for enforcement of the legislation regarding biotech feed and food;

-The Food and Consumer Product Safety Authority (VWA). This organization is responsible for documentation and physical control of food and feedstuff imports entering through Dutch ports. The VWA is also responsible for the inspection of ingredients and food products through the entire food processing and distribution chain, from production of the raw materials until the final distribution in retailers and food service sector.

-The General Inspection Service (AID) is responsible of the agricultural law enforcement and has the authorization to fine. The AID is responsible for checks of feed products at the farm level. With the VWA, the AID also plays an important role in the inspections of feed imports.

-The Netherlands Inspection Service for Agriculture (NAK) is responsible for inspection of crops and seed imports into The Netherlands.

The Ministry of Economic Affairs (EZ). The Dutch customs is responsible for document control at the Border Inspection Posts.

During September 2005, the European Food and Veterinary Office FVO carried out a mission in The Netherlands concerning official controls on food and feed containing GMOs. The report of the FVO can be downloaded from: [http://ec.europa.eu/food/fvo/ir\\_search\\_en.cfm](http://ec.europa.eu/food/fvo/ir_search_en.cfm)

#### Regulatory framework for agricultural biotechnology in Belgium

The following authorities are responsible for implementation and enforcement of the regulatory framework for agricultural biotechnology in Belgium:

The Federal Government Department for Health, Food Chain Safety and Environment (VVL). The VVL is the coordinating Belgian Federal Government Department in the policy-making process in the field of medical and agricultural biotechnology.

The Biosafety Advisory Council (ARB) and the Service of Biosafety and Biotechnology (SBB). The ARB and SBB advise the VVL about the safety of activities involving GMOs.

The Belgian Food Agency (FAVV). The FAVV is responsible for document and physical controls of food and feed. The FAVV implements and enforces the EU traceability and labeling legislation in cooperation with the Federal Government Department for Economy.

In Belgium, the federal VVL has a joint responsibility with the two Belgian Regions, Flanders and Wallonia, for authorization of the use of GMOs either in consigned use (laboratory) or in field trials.

### **Regulatory framework for agricultural biotechnology in Luxembourg**

The following authorities are responsible for implementation and enforcement of the regulatory framework for agricultural biotechnology in Luxembourg:

The Luxembourg Ministry of Health. The Luxembourg Ministry of Health coordinates the policy-making process in the field of medical and agricultural biotechnology in Luxembourg. The laboratory responsible for sampling and analysis of foodstuffs, including enforcement of the traceability and labeling legislation, is the National Laboratory of Health, Division of the Control of the Foodstuffs (LNS).

The Ministry of Agriculture, Viniculture and Rural Development (MAVD). As part of the MAVD, the Department of Agricultural Technology (ASTA) is responsible for quality assurance in the agricultural sector, which includes sampling and analysis of agricultural products and implementation of the coexistence policy.

### **Role and Membership of Biosafety Committee**

In The Netherlands, the Ministry of Housing, Regional Planning and Environment (VROM) is responsible for the Cartagena Protocol on Biosafety (CPB). In Belgium, the Federal Ministry of Public Health is responsible for the CPB. In general, both countries support the joint EU position regarding Article 18.2(a) of the CPB, testing for, and adventitious presence of Living Modified Organisms (LMOs) and the related subject concerning thresholds, and the use of unique identifiers. The Dutch Government has the opinion that the regulations must be workable for the private industry and enforceable by the authorities.

### **Assessment of political factors**

The Ministry of Public Health, Welfare and Sport (VWS) is the coordinating Dutch Ministry in the policy-making process in the field of biotechnology. VWS represents The Netherlands in the Sections of the Standing Committee on the Food Chain and Animal Health (SCoFAH). If the subject relates to the environment, VWS coordinates the policy-making with VROM. If the subject relates to food or feed, VWS coordinates the policy making with LNV. VWS chairs regularly Food Law Consultation Meetings in order to coordinate the policy making process with the involved government bodies, industry organizations and consumer organizations.

In Belgium, the Federal Government Department for Health, Food Chain Safety and Environment (VVL) is the coordinating Belgian Federal Government Department in the policy-making process in the field of biotechnology. VVL represents Belgium in the Sections of the Standing Committee on the Food Chain and Animal Health (SCoFAH). Like the Dutch VWS, VVL chairs consultation meetings with the involved government, industry, and consumer

organizations. In Luxembourg, the Ministry of Health is coordinating the policy-making process in the field of medical and agricultural biotechnology.

### **Field trials with GMOs**

Experimental planting of biotech crops is almost impossible in The Netherlands. Crop trials are effectively prevented by cumbersome regulations imposed by the Dutch government and by the threat of protests from environmental groups. The Dutch government has issued over 30 licenses for field trials of biotech crops. In 2006, only seven of these licenses are being used: five for field experiments with GM potatoes, one with GM apples, and one with GM flowers (carnation). This summer, six one-hectare field trials of the GM maize hybrid Mon810 are conducted. The goal of these trials is to double-check the necessary buffer zones with conventional and organic maize crops (see GAIN Report NL6015). For these trials no license is needed as this maize breed is approved in the EU. In Belgium and Luxembourg, there have been no licenses issued for field trials since 2004.

### **Coexistence policy**

A commission set up to represent all sectors of Dutch agriculture has agreed on rules for the coexistence of the biotech, organic and conventional crops. On November 2, 2004, the Commission for Primary Sector Coexistence presented this agreement to the Dutch Ministry of Agriculture, Nature and Food Quality. The Commission included representatives of Biologica (representing organic producers), the Dutch Farmers' Union (LTO), Plantum NL (representing the seed industry), and the Association for Earth, Farmer and Consumer. This commission was formed by Minister of Agriculture Cees Veerman to ensure that coexistence guidelines would represent industry consensus. The agreement is set within the framework of the EC Directives 2001/18/EC and 2003/556/EC, and Dutch Civil Law. The agreement covers production of only three products; potatoes, sugar beets and maize. Trade in planting seeds, and handling and transport of the crops are not covered by this agreement. The agreement has been laid down in the binding regulations of the Dutch Main Board for Arable Crops. The Dutch sector still needs to reach agreement on the scope of a compensation fund for possible damage to conventional and organic crops, and a monitoring system in the field.

In Belgium, the two Belgian Regions, Flanders and Wallonia, are responsible for formulating and implementing a coexistence policy. This summer the Flemish Government will decide upon the coexistence regulations for Flanders. The regulations reportedly guarantee free choice for the farmer to plant GMOs, and include a liability fund. The Ministry will impose the coexistence policy per crop, probably starting with corn. In February 2006, the Walloon Government approved the coexistence regulations. According the Walloon Government, the regulations on cultivating GMOs are as restrictive as possible within the scope of the harmonized EU regulations. The regulations contain possibilities to impose GMO free zones, and a liability fund paid by the farmer planting GMO crops. The technical details of the regulations, such as the border zones, are however, not yet determined.

The Luxembourg Ministry of Agriculture received the remarks of the EC on the first draft of the coexistence legislation. The second draft will successively be sent to the EC for their final recommendations, and to the Luxembourg State Council and finally the Luxembourg Parliament for voting. It is expected that the legislation will be enforced at the beginning of 2007. The most sensitive topics in the legislation are reportedly the border zones and the scope of a compensation fund. The possibility to impose GM free zones is reportedly not part of the legislation.

**Biotechnology related trade barriers*****Approval of GM Events***

The slow, cumbersome and politically influenced EU procedures for the approval of GM products negatively affects U.S. exports of many products to the Benelux. The biggest impact is on exports of corn, corn products, planting seeds and consumer food products. Apart from the limits on trade in biotech products, export of conventional U.S. products and planting seeds are also impeded by fears of possible GM co-mingling with conventional and organic crops.

The biotech issue has also affected U.S. soybean exports to the Benelux. This can be explained by the shift of the food processing industry from oil derived from GM soybeans to oil derived from non-GM soybeans from Brazil, and rapeseed oil and palm oil. Besides U.S. exports of bulk products, U.S. exports of consumer products are severely constrained. During the past eight years, retailers have been reluctant to select products that are labeled as containing GM ingredients. Luxury department stores and specialty shops, however, still have an unknown number of consumer products from the U.S., which are labeled as GM. The importation of these labeled products is done on a relatively small scale, and represents a very small volume when compared to overall amount of trade in food and agricultural products.

***Traceability and Labeling of GMOs***

The direct effect of the T&L legislation on U.S. exports has been limited as most of the products subject to GM labeling were already been removed from the food chain before this legislation went into effect, in response to the demands of EU food retailers. The legislation has broadened the coverage of labeling and forced food companies to seek non-GM sources of ingredients or alter their product formulations.

**Agenda of Dutch and Belgian Government regarding EU biotech policies*****Traceability and Labeling legislation***

On November 28, 2003, the Agricultural Council reached an agreement on the EC's Traceability and Labeling (T&L) Legislation for GMOs. The Dutch government voted for the EC proposal in the Agricultural Council, but voted against the traceability portion of the proposal in the Environmental Council. The general position of the Dutch Government is that regulations regarding GMOs must be workable for the private industry and enforceable by the authorities. The Dutch Government is in particular worried about the required paperwork that could lead to higher cost prices for trade and the possibilities for fraud. The Belgium Government in general supports the T&L legislation.

Reports from FAS The Hague related to biotech issues in the Benelux countries:

NL4008 Enforcement and Implications of the EU T&L Legislation

NL6015 Dutch Government supports GM crop research